

1 BILL NO. G-81-07-22

2 GENERAL ORDINANCE NO. G-12-81

3
4 AN ORDINANCE amending Section 31-20
5 of the Code of the City of Fort Wayne,
6 Indiana.

7 BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF
8 FORT WAYNE, INDIANA:

9 SECTION 1. That Section 31-20 of the Code of the
10 City of Fort Wayne, Indiana, is hereby amended to read as
11 follows:

12 Section 31-20:

13 "All charges for water services levied pursuant
14 to this Chapter shall be due and payable on or
15 before the due date stated on the bill, which
16 due date shall be approximately fifteen days after
17 the bill is rendered. Any water service charge
18 not paid by the due date shall be subject to a
19 collection or deferred payment charge of ten percent
20 on the first three dollars and three percent on the
21 excess over three dollars."

22 SECTION 2. That this Ordinance shall be effective
23 upon passage and approval by the Mayor.

24
25 
26 COUNCILMAN

27 APPROVED AS TO FORM AND
28 LEGALITY JULY 10, 1981.

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30 
31 BRUCE O. BOXBERGER, CITY ATTORNEY
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Read the first time in full and on motion by Burns, seconded by B. Stark, and duly adopted, read the second time by title and referred to the Committee City of Fort Wayne (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Chambers, City-County Building, Fort Wayne, Indiana, on 7-4-81, the 4 day of July, 1981, at 7 o'clock P M., E.S.T.

DATE: 7-4-81

Charles W. Westerman
CHARLES W. WESTERMAN
CITY CLERK

Read the third time in full and on motion by Burns, seconded by B. Stark, and duly adopted, placed on its passage. PASSED (LOST) by the following vote:

	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>	<u>TO-WIT:</u>
<u>TOTAL VOTES</u>	<u>9</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>BURNS</u>	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>EISBART</u>	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>GIAQUINTA</u>	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>NUCKOLS</u>	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>SCHMIDT, D.</u>	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>SCHMIDT, V.</u>	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>SCHOMBURG</u>	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>STIER</u>	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>TALARICO</u>	<u>✓</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

DATE: 7-28-81

Charles W. Westerman
CHARLES W. WESTERMAN - CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ZONING MAP) (GENERAL) (ANNEXATION) ✓ (SPECIAL) (APPROPRIATION) ORDINANCE (RESOLUTION) No. 2-12-81 on the 28th day of July, 1981.

ATTEST:
Charles W. Westerman
CHARLES W. WESTERMAN - CITY CLERK

(SEAL)
John Nuckols
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 29th day of July, 1981, at the hour of 1:40 o'clock P M., E.S.T.

Charles W. Westerman
CHARLES W. WESTERMAN - CITY CLERK

Approved and signed by me this 3rd day of August 1981, at the hour of 11 A o'clock A M., E.S.T.

Winfield C. Moses, Jr.
WINFIELD C. MOSES, JR.
MAYOR

BILL NO. G-81-07-22

REPORT OF THE COMMITTEE ON CITY UTILITIES

WE, YOUR COMMITTEE ON City Utilities TO WHOM WAS REFERRED AN
ORDINANCE amending Section 31-20 of the Code of the City of Fort
Wayne, Indiana

HAVE HAD SAID ORDINANCE UNDER CONSIDERATION AND BEG LEAVE TO REPORT
BACK TO THE COMMON COUNCIL THAT SAID ORDINANCE DOES PASS.

PAUL M. BURNS, CHAIRMAN

VIVIAN G. SCHMIDT, VICE CHAIRMAN

BEN A. EISBART

SAMUEL J. TALARICO

ROY J. SCHOMBURG

CONCURRED IN

DATE 7/28/81 CHARLES W. WESTERMAN, CITY CLERK

Section 31-20 Fort Wayne City Code now provides:

"All bills for water services not paid within fifteen days from the due date thereof, as stated in such bills, shall be subject to a collection or deferred payment charges of ten percent on the first three dollars and three percent on the excess over three dollars."

Bills are prepared and rendered several days after the meter is read (or estimated). The bill is mailed to the customer, and to allow the customer time to pay the bill "on time", and not "past due", a due date is specified on the bill. This is generally fifteen (15) days after the mailing date of the bill.

However, by this section no delinquent penalty is charged to the customer until fifteen (15) days after the due date.

So, the due date is 15 days after billing, and the delinquency charge accrues 15 days after that.

This would allow a customer to withhold payment until the 29th day without penalty.

While it may be the intention to allow 30 days to elapse between billing and payment, this is inconsistent with the billing process.

Sewer bills are payable at the same time as the water bills.

(§ 24-38 Fort Wayne Municipal Code 1974,
as amended by Ordinance G-14-80)

However, § 24-43 as amended establishes that sewer charges are due 15 days after rendering the bill and if not then paid, are subject to a penalty charge of 10%.

Therefore:

- (1) If a customer pays his bill within 15 days after rendering, he pays no penalty;
- (2) If he pays after 15 days but before 31 days, he pays the bill plus a sewer penalty; and,
- (3) If he pays after 31 days, he pays the bill plus a sewer penalty and a water late charge.

This requires the Utility to make three (3) separate computations: the first when the bill is rendered, the second 16 days thereafter and the third 31 days thereafter.

However, this is not what now happens or has happened! If not paid within 31 days, nothing happens. The next bill will, however, be marked "Past Due". Still no delinquency charge or sewer penalty is assessed.

Next, after the due date for the second bill, a shut-off notice is generated, giving the customer another 7 days to pay the previous balance (i.e., the amount billed on the 1st bill).

If the late charges and sewer penalties were, in fact, assessed, the additional costs required for the processing of delinquent accounts would be borne by the late payers and not absorbed by all users.

The reason, obviously, that the ordinance, as written, has not been implemented is because the computer billing system, as written, does not accommodate it. We haven't been doing what the Ordinance requires. The State Board of Accounts has repeatedly requested and suggested we adhere to the ordinance, and our tariff as filed with the Public Service Commission.

However, as written, the ordinances are cumbersome. We respectfully suggest the following:

§ 31-20 should be amended to read:

All charges for water services levied pursuant to this Chapter shall be due and payable on or before the due date stated on the bill, which due date shall be approximately fifteen days after the bill is rendered. Any water service charge not paid by the due date shall be subject to a collection or deferred payment charge of ten percent on the first three dollars and three percent on the excess over three dollars."

Thus, if the assessment date for sewer late payment penalty and water service late payment charge are the same, the computer billing system can accommodate these procedures.

§ 31-20 and § 24-43 as amended establish different dates for late charges:

§ 24-38 Fort Wayne Municipal Code 1974, as amended by Ordinance G-14-80 provides:

" Billing Period.

Charges for sewerage service shall be prepared and billed by the general office of the city utilities along with the bills for water service and shall be payable at the general office at the same time as the water bills."

§ 24-43 as amended provides:

"How delinquencies arise.

Charges for sewerage service levied pursuant to this article shall be due and payable on or before the due dates shown on the bills. Any service charge not paid by the due date (approximately fifteen (15) days after the bill is rendered) shall be considered delinquent. Such delinquent charge, together with any applied penalty, shall be collectible as hereinafter set forth."

§ 31-20 provides:

"Collection or deferred payment charge.

All bills for water services not paid within fifteen days from the due date thereof, as stated in such bills, shall be subject to a collection or deferred payment charges of ten percent on the first three dollars and three percent on the excess over three dollars."

DIGEST SHEET

G-81-07-22

TITLE OF ORDINANCE Ordinance to Amend § 31-20, Fort Wayne City CodeDEPARTMENT REQUESTING ORDINANCE Customer Service, City Utilities

SYNOPSIS OF ORDINANCE The amendment of § 31-20 to conform with § 24-43 as amended
establishes a due date 15 days after the bill is rendered and provides
that late charges be assessed if the bill is not paid on or before the
due date.

EFFECT OF PASSAGE Sections will conform.

EFFECT OF NON-PASSAGE Billing procedures have not, to date, been assessing
any late charges. This oversight will continue.

MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS) None.

ASSIGNED TO COMMITTEE (PRESIDENT) _____